



M E D I A R E L E A S E

STATE OF TENNESSEE
BUREAU OF TENNCARE

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CONTACT: LOLA POTTER

FEDERAL STUDY: TENNCARE IS LOWEST-COST HEALTH PROGRAM IN THE NATION

NASHVILLE, Tenn. – Tennessee spends less per person in its health care insurance program for poor, disabled and uninsured individuals than any program in the nation, according to a study released by the Centers for Medicare and Medicaid Services (CMS).

"From the perspective of covering more people at a lower cost, TennCare is working," said TennCare Director Manny Martins. "This can be attributed directly to the cooperative nature of all the partners who contribute to TennCare."

The federal study, based on 1998 data, shows that average Medicaid per enrollee annual spending across the nation ranged from a low of \$2,825 in Tennessee to a high of \$9,474 in New York.

The figures confirm earlier data from the Tennessee comptroller's office and others showing that TennCare offers health care insurance for more people at a cost that is less than other states spend to cover fewer people.

The figures also show that Medicaid's share of total personal health care expenditures in Tennessee was 17.4 percent. In contrast, Medicaid spending was 31.5 percent of total health expenditures in New York and 9.1 percent in Nevada. According to CMS, the state spending figures are the first federal figures of their kind released since 1991.

"People who are covered with some type of health care insurance are going to seek more preventive care than people who do not have insurance," said Martins. "As a result, we can detect more debilitating illnesses earlier, saving costs and improving quality of life. It redirects the program to a more preventive health approach."

TennCare is the state's managed health care insurance program for 1.4 million Tennesseans who are poor, disabled or uninsured.

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STATE CAPITOL, 1ST FLOOR
NASHVILLE, TN 37243
615.741.2401